## THE TOWN OF FOREST HEIGHTS RESOLUTION 04-22

A RESOLUTION TO APPROVE THE SUBMISSION OF A LEGISLATIVE ACTION REQUEST ("LAR") TO THE MARYLAND MUNICIPAL LEAGUE ("MML") FOR PROPOSED LEGISLATION REGARDING MUNICIPAL PARTICIPATION IN THE STATE TAX REFUND INTERCEPT PROGRAM (TRIP)

Introduced By: Mayor Calvin Washington

**WHEREAS**, the Charter, Section 33-90 authorizes the Mayor and Council to pass certain legislation of a non-permanent or administrative nature by formal resolution in lieu of ordinance; and

**WHEREAS**, each year MML solicits legislative action requests from its member municipalities for proposed legislation to be supported during the next regular session of the Maryland General Assembly; and

WHEREAS, every Maryland municipal government receives a share of the Local Income Tax deducted from the County's piggy-back share and the Comptroller is required to annually certify the amount of the State income tax liability of the residents of each municipality and special taxing district and to return the greater of either 17% of the county income tax liability to the respective governments or .37% of the State taxable income of municipal or taxing district residents; and

**WHEREAS**, the State's TRIP program allows the State's Central Collections Unit to collect debts owed to State Agencies by intercepting income tax refunds that would be otherwise payable to the taxpayer and applied toward the indebtedness; and

**WHEREAS,** the Town by contract with Municipal Collections of America (MCoA) collects delinquent debts from speed monitoring systems (SMS) and other traffic related violations through a debt collection agency; and

WHEREAS, MCoA includes State income tax offset programs as an inclusive component of its efforts in several states, and they are one of the most effective tools for payment, and this TRIP program will intercept any payment from the State (state income tax refund, casino/lottery, state employee pay, etc.) and apply the payment to the debt owed, and 35-40 states in the Union currently have offset programs, including Maryland, but unfortunately, the Maryland offset program specifically excludes municipalities and counties from participation; and

WHEREAS, as the volume of citations has increased for the Town due to annexation and added monitoring systems, the collections component of SMS revenues has increased such that 2021 delinquencies submitted to MCoA increased by 103% over the number of accounts sent in 2020, which contributed to a revenue increase of over 240% in 2021; and

WHEREAS, the Town Council finds that the Town and other municipalities of this State should encourage the General Assembly through its advocates at MML to avoid adverse legislation and either maintain the status quo or adopt legislation that does not impede the ability of

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municipalities in enforcing and collecting on behalf of the State and the Town, speed camera violations.

**NOW THEREFORE BE IT RESOLVED**, that the Town Council hereby approves and authorizes the submission by the Mayor of a 2022 MML Legislative Action Request (LAR) regarding the TRIP Program explained herein above, attached hereto as <u>Exhibit A</u>, to be submitted on or before July 30, 2022; and

**BE IT FURTHER RESOLVED,** that the Mayor and Town Council further directs the Mayor and Town Attorney to take such action as necessary to communicate the purposes of this resolution and said LAR to MML staff, its legislative committee or its other members; and

**BE IT FURTHER RESOLVED**, that this Resolution shall take effect immediately upon passage.

PASSED this \_16\_\_day of February 2022.

**APPROVED:** By Resolution of the Town Council of The Town of Forest Heights, Maryland

ROLL CALL VOTE	YEA/NAY/ABSTAIN/ABSENT
WASHINGTON	<u>YEA</u>
BROWNSON	YEA
NOBLE	_YEA
BARNES	YEA
HINES	YEA
LILLY	YEA
ATKINSON	ABSENT
ATTEST:	THE MAYOR AND COUNCIL OF THE TOWN OF FOREST HEIGHTS, MARYLAND
Signature on file	Signature on file By:
Sherletta Hawkins, Town Clerk	Calvin Washington, Mayor

By: Signature on file

Taunya Hines, Council President

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## **CERTIFICATION**

I, hereby certify, as the duly appointed Town Clerk of the Town of Forest Heights, Maryland, that on the 16 day of February, 2022 with <u>6</u> Aye votes and <u>0</u> Nay votes the aforesaid Resolution 04-22 passed.

Signature on file	
Sherletta Hawkins, Town Clerk	_